

ILLINOIS FARM REPORT



**NATIONAL
AGRICULTURAL
STATISTICS SERVICE**

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THIS FARM REPORT CONTAINS THE RESULTS FROM
THESE SURVEYS. THANK YOU FOR YOUR HELP.

*September Ag Yield Report
August Milk Production
August Prices Received
July Labor*

HIGHLIGHTS
SEPTEMBER CROP REPORT
MILK PRODUCTION
AGRICULTURAL PRICES
FARM LABOR

SEPTEMBER CROP REPORT

The 2008 Illinois corn crop is expected to yield 172 bushels per acre, unchanged from the August forecast, and three bushels lower than last year's yield. Production of corn for grain would be 2.03 billion bushels, down 11 percent from 2007. The East and Southeast Districts were the driest in the state with 38 percent and 40 percent, respectively, in the very short topsoil moisture category. As of August 31, 48 percent of the crop was in the dent stage, compared to 89 percent last year and 78 percent for the five-year average. Corn condition was rated 16 percent excellent, 52 percent good, 24 percent fair, 5 percent poor, and 3 percent very poor.

Soybean production in 2008 is expected to reach 375.9 million bushels, seven percent above last year's production. Yield is forecast at 42 bushels per acre, one bushel below last year. Temperatures across Illinois were below average throughout August, as was precipitation. Condition of the crop, as of August 31, was rated 3 percent very poor, 7 percent poor, 28 percent fair, 52 percent good, and 10 percent excellent. Soybeans turning yellow at this time were at five percent turning yellow, compared to 34 percent in 2007 and 25 percent for the five-year average.

CROP ACREAGE & PRODUCTION, 2007-2008

| Crop (Acres for harvest) | Illinois | | United States | |
|-------------------------------------|-----------|-----------|---------------|------------|
| | 2007 | 2008 | 2007 | 2008 |
| Acreage and production in thousands | | | | |
| <u>Corn, Grain</u> | | | | |
| Acres | 13,050 | 11,800 | 86,542 | 79,290 |
| Yield, bu. | 175.0 | 172.0 | 151.1 | 152.3 |
| Production | 2,283,750 | 2,029,600 | 13,073,893 | 12,072,365 |
| <u>Soybeans</u> | | | | |
| Acres | 8,150 | 8,950 | 62,820 | 73,341 |
| Yield, bu. | 43.0 | 42.0 | 41.2 | 40.0 |
| Production | 350,450 | 375,900 | 2,585,207 | 2,933,888 |
| <u>Winter Wheat, Grain</u> | | | | |
| Acres | 890 | 1,160 | 35,952 | 40,252 |
| Yield, bu. | 57.0 | 65.0 | 42.2 | 46.6 |
| Production | 50,730 | 75,400 | 1,515,989 | 1,874,857 |
| <u>Oats, Grain</u> | | | | |
| Acres | 24 | 30 | 1,505 | 1,443 |
| Yield, bu. | 68.0 | 70.0 | 60.9 | 62.3 |
| Production | 1,632 | 2,100 | 91,599 | 89,897 |
| <u>Sorghum, Grain</u> | | | | |
| Acres | 77 | 77 | 6,805 | 6,442 |
| Yield, cwt. | 81.0 | 85.0 | 74.2 | 66.1 |
| Production | 6,237 | 6,545 | 504,993 | 425,572 |
| <u>Alfalfa Hay</u> | | | | |
| Acres | 380 | 350 | 21,670 | 20,778 |
| Yield, tons | 3.70 | 4.20 | 3.35 | 3.41 |
| Production | 1,406 | 1,470 | 72,575 | 70,944 |
| <u>All Other Hay</u> | | | | |
| Acres | 300 | 270 | 39,955 | 39,661 |
| Yield, tons | 1.70 | 2.30 | 1.95 | 1.94 |
| Production | 510 | 621 | 77,729 | 77,011 |
| <u>Potatoes, Summer</u> | | | | |
| Acres | 6.1 | 5.3 | 51.2 | 46.2 |
| Yield, cwt. | 400 | 395 | 332 | 324 |
| Production | 2,440 | 2,094 | 16,997 | 14,946 |
| <u>Apples</u> | | | | |
| Mil. lbs. | 5.0 | 52.0 | 9,113.9 | 9,165.2 |
| <u>Peaches</u> | | | | |
| Tons | 100 | 10,800 | 1,128,740 | 1,093,850 |
| <u>Snap Beans 1/</u> | | | | |
| Acres | 11,600 | 14,100 | 197,900 | 186,750 |
| Yield, tons | 4.65 | 4.14 | 3.79 | 4.12 |
| Production | 53,430 | 58,370 | 751,090 | 769,760 |
| <u>Sweet Corn 1/</u> | | | | |
| Acres | 2/ | 2/ | 367,600 | 379,500 |
| Yield, tons | 2/ | 2/ | 7.88 | 7.87 |
| Production | 2/ | 2/ | 2,897,430 | 2,987,960 |

1/ Contract for processing only. Acreage and production are actual and not in thousands. 2/ Not published.

U.S. CROP REPORT

Corn production is forecast at 12.1 billion bushels, down two percent from last month and eight percent below 2007. Based on conditions as of September 1, yields are expected to average 152.3 bushels per acre, down 2.7 bushels from August but 1.2 bushels above last year. If realized, yield will be the second highest on record, behind 2004, while production will be the second largest, behind last year. Yield forecasts are lower than last month across the northern and eastern Corn Belt and the Ohio and Tennessee Valleys where the lack of rainfall during August reduced soil moisture supplies and stressed the crop. Yield prospects also decreased across much of the middle Mississippi Valley and adjacent areas of the Great Plains as dry weather during August eliminated soil moisture surpluses. Area harvested and to be harvested for grain is forecast at 79.3 million acres, unchanged from August but down eight percent from 2007. If realized, this will be the second largest area harvested for grain since 1944, behind last year's 86.5 million acres.

Soybean production is forecast at 2.93 billion bushels, down one percent from the August forecast but up 13 percent from last year. If realized, this will be the fourth largest production on record. Based on September 1 conditions, yields are expected to average 40.0 bushels per acre, down 0.5 bushel from last month and down 1.2 bushels from 2007. Compared with last month, yields are forecast lower or unchanged in the Mid-Atlantic States, the central and eastern Corn Belt, Louisiana, Nebraska, and South Dakota. Yields increased or are unchanged from the August 1 forecast across the Southeast and the remainder of the Great Plains. Area for harvest in the U.S. is forecast at 73.3 million acres, unchanged from last month but up 17 percent from 2007.

ILLINOIS DISTRICT ESTIMATES

CORN, 2007-SEPTEMBER 1, 2008

| District | Acres planted | | Acres for grain | | Yield | | Production | |
|-----------------|---------------|---------------|-----------------|---------------|------------|------------|--------------------|------------------|
| | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 |
| | 1,000 acres | | 1,000 acres | | Bushels | | 1,000 bushels | |
| Northwest | 2,163 | 2,069 | 2,135 | 2,006 | 186 | 182 | 397,074.8 | 365,092 |
| Northeast | 1,242 | 1,184 | 1,229 | 1,151 | 185 | 179 | 227,409.1 | 206,029 |
| West | 1,236 | 1,186 | 1,219 | 1,151 | 184 | 183 | 224,333.7 | 210,633 |
| Central | 1,883 | 1,691 | 1,868 | 1,655 | 193 | 188 | 360,529.8 | 311,140 |
| East | 1,844 | 1,666 | 1,829 | 1,622 | 184 | 166 | 336,567.1 | 269,252 |
| West Southwest | 1,851 | 1,708 | 1,835 | 1,641 | 170 | 167 | 311,935.1 | 274,047 |
| East Southeast | 1,729 | 1,547 | 1,710 | 1,475 | 160 | 158 | 273,616.8 | 233,050 |
| Southwest | 590 | 553 | 573 | 528 | 123 | 148 | 70,450.7 | 78,144 |
| Southeast | 662 | 596 | 652 | 571 | 126 | 144 | 81,832.9 | 82,213 |
| ILLINOIS | 13,200 | 12,200 | 13,050 | 11,800 | 175 | 172 | 2,283,750.0 | 2,029,600 |

SOYBEANS, 2007-SEPTEMBER 1, 2008

| District | Acres planted | | Acres for harvest | | Yield | | Production | |
|-----------------|---------------|--------------|-------------------|--------------|-----------|-----------|------------------|----------------|
| | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 |
| | 1,000 acres | | 1,000 acres | | Bushels | | 1,000 bushels | |
| Northwest | 769 | 889 | 765 | 864 | 50 | 45 | 38,399.1 | 38,880 |
| Northeast | 619 | 675 | 616 | 668 | 48 | 44 | 29,569.5 | 29,392 |
| West | 760 | 791 | 754 | 769 | 45 | 47 | 34,158.1 | 36,143 |
| Central | 976 | 1,166 | 972 | 1,144 | 51 | 46 | 49,651.4 | 52,429 |
| East | 1,153 | 1,279 | 1,147 | 1,261 | 53 | 44 | 60,821.2 | 55,484 |
| West Southwest | 1,035 | 1,175 | 1,028 | 1,158 | 40 | 41 | 41,129.9 | 47,478 |
| East Southeast | 1,424 | 1,577 | 1,416 | 1,561 | 40 | 38 | 57,248.9 | 59,318 |
| Southwest | 794 | 832 | 788 | 821 | 27 | 40 | 21,485.7 | 32,840 |
| Southeast | 670 | 716 | 664 | 714 | 27 | 34 | 17,986.2 | 23,936 |
| ILLINOIS | 8,200 | 9,100 | 8,150 | 8,950 | 43 | 42 | 350,450.0 | 375,900 |

MILK PRODUCTION

Milk production in Illinois during July 2008 totaled 155 million pounds, five million pounds below July 2007. The number of milk cows on farms averaged 102,000 head, down 1,000 head from July of last year. Milk per cow averaged 1,520 pounds for July, 30 pounds below July 2007.

Estimated milk production in the U.S. during July 2008 totaled 15.9 billion pounds, up one percent from July 2007. Production per cow averaged 1,716 pounds, one pound below July 2007. The number of milk cows on farms in the U.S. was 9.28 million head in July, one percent above July 2007.

MILK PRODUCTION: ILLINOIS & UNITED STATES, JULY 2007-2008

| | | July | | | | | |
|-------------------------|------------|----------|-------|-------------------|---------------|--------|-------------------|
| | | Illinois | | | United States | | |
| | | 2007 | 2008 | 2008 as % of 2007 | 2007 | 2008 | 2008 as % of 2007 |
| Milk Production: | | | | | | | |
| Number of milk cows | Head (000) | 103 | 102 | 99 | 9,153 | 9,281 | 101 |
| Milk production per cow | Lbs. | 1,550 | 1,520 | 98 | 1,717 | 1,716 | 100 |
| Total milk production | Mil. lbs. | 160 | 155 | 97 | 15,714 | 15,928 | 101 |

AGRICULTURAL PRICES

The August index of prices received by Illinois farmers for all commodities was 200 percent of the base, down six points from the revised July figure but 64 points above August 2007. The current year's base was computed by multiplying the average production for the five-year period by the average price for each year. These five years were summed and then divided by five to arrive at an average (base) for the period. The current five-year average production was then multiplied by the current price and divided by the average for the five years to arrive at the current index. The August All Crops index, at 219 percent of the base, was down nine points from the revised July number but 77 points above August 2007. Crop prices decreased for all commodities except for wheat. The All Livestock index was at 129 percent of the base, up eight points from the revised July number and ten points above August 2007. Prices increased for all commodities except for calves and milk. The hog-corn ratio was at 12.2.

The U.S. preliminary All Farm Products Index of Prices Received by Farmers in August, at 155 percent, based on 1990-92=100, decreased four points from July. The Crop Index was down seven points and the Livestock Index declined one point. Producers received lower prices for corn, broilers, soybeans, and milk. Higher prices were realized for wheat, hogs, eggs, and strawberries. In addition to prices, the overall index was also affected by the seasonal change based on a three-year average mix of commodities producers sell. Increased monthly marketings of cattle, grapes, sweet corn, and potatoes offset decreased marketings of wheat, hay, milk, and broilers.

INDEX OF PRICES RECEIVED BY FARMERS

| Commodity | July 2007 | Aug. 2007 | July 2008 | Aug. 15, 2008 |
|----------------------|-----------|---------------|---------------|---------------|
| ILLINOIS | | 2001-2005=100 | 2002-2006=100 | |
| All Farm Products | 134 | 136 | 206 * | 200 |
| All Crops | 139 | 142 | 228 * | 219 |
| Food grains | 170 | 174 | 203 * | 208 |
| Feed grains/hay | 149 | 143 | 239 * | 218 |
| Soybeans | 123 | 137 | 215 * | 221 |
| All Livestock | 116 | 119 | 121 * | 129 |
| Meat animals | 109 | 112 | 117 * | 127 |
| Dairy products | 156 | 153 | 147 * | 140 |
| UNITED STATES | | 1990-92=100 | | |
| All Farm Products | 139 | 139 | 159 * | 155 |
| All Crops | 141 | 142 | 182 * | 175 |
| Food grains | 173 | 185 | 242 * | 268 |
| Feed grains/hay | 154 | 150 | 225 * | 216 |
| Oilseeds | 136 | 138 | 239 * | 216 |
| All Livestock | 137 | 137 | 138 * | 137 |
| Meat animals | 120 | 122 | 126 * | 130 |
| Dairy products | 165 | 165 | 149 * | 142 |
| Prices Paid | 162 | 162 | 192 * | 194 |
| Parity Ratio 1/ | 86 | 86 | 83 * | 80 |

1/ Prices received index divided by prices paid index.

* Revised.



PRICES RECEIVED BY FARMERS 1/

| Commodity | Unit | Illinois | | | | United States | | | |
|------------------|---------|--------------|--------------|--------------|------------------|---------------|--------------|--------------|------------------|
| | | July 2007 | Aug. 2007 | July 2008 | Aug. 15, 2008 | July 2007 | Aug. 2007 | July 2008 | Aug. 15, 2008 |
| | | Dollars | | | | | | | |
| Corn | Bushels | 3.32 | 3.16 | 5.50 * | 4.90 | 3.32 | 3.26 | 5.24 * | 4.90 |
| Soybeans | Bushels | 7.76 | 7.96 | 13.90 * | 13.00 | 7.56 | 7.72 | 13.30 * | 12.10 |
| Sorghum | Cwt. | 3/ | 5.84 | 3/ | 8.30 | 5.52 | 5.93 | 9.07 * | 8.26 |
| Wheat, all | Bushels | 5.03 | 5.34 | 6.40 | 6.70 | 5.17 | 5.64 | 7.16 * | 8.02 |
| Oats | Bushels | 3/ | 3/ | 3/ | 3/ | 2.32 | 2.24 | 3.46 * | 3.17 |
| Hay, all baled | Tons | 119.00 | 119.00 | 144.00 | 137.00 | 131.00 | 124.00 | 164.00 * | 165.00 |
| Alfalfa hay, bld | Tons | 123.00 | 124.00 | 154.00 | 143.00 | 137.00 | 135.00 | 177.00 * | 180.00 |
| Other hay, bld | Tons | 94.00 | 94.00 | 112.00 | 105.00 | 113.00 | 105.00 | 130.00 * | 126.00 |
| Hogs, all | Cwt. | 50.60 | 49.70 | 54.00 * | 59.60 | 52.20 | 51.30 | 54.20 * | 59.70 |
| Barrows, Gilts | Cwt. | 52.00 | 51.00 | 57.00 * | 62.00 | 53.00 | 52.10 | 56.00 * | 61.10 |
| Sows | Cwt. | 35.00 | 34.50 | 19.80 * | 31.70 | 36.70 | 36.10 | 20.10 * | 33.10 |
| Beef cattle | Cwt. | 89.30 | 91.20 | 97.70 * | 98.20 | 89.00 | 91.40 | 95.10 * | 96.10 |
| Cows | Cwt. | 53.00 | 54.00 | 59.00 | 60.00 | 51.50 | 51.50 | 56.40 * | 57.60 |
| Steers, Heifers | Cwt. | 90.00 | 92.00 | 98.50 * | 99.00 | 93.00 | 95.70 | 99.60 * | 100.00 |
| Calves | Cwt. | 114.00 | 119.00 | 103.00 * | 101.00 | 126.00 | 127.00 | 115.00 * | 114.00 |
| Milk cows | Head | 1,870.00 | 2/ | 2,000.00 | 2/ | 1,950.00 | 2/ | 1,990.00 * | 2/ |
| Milk, all | Cwt. | 22.40 | 22.30 | 20.30 * | 19.50 | 21.60 | 21.60 | 19.40 * | 18.50 |
| Milk, fluid | Cwt. | 22.40 | 22.30 | 20.30 | 3/ | 21.60 | 21.60 | 19.40 * | 18.50 |
| Milk, mfg. | Cwt. | 21.50 | 20.00 | 19.70 | 3/ | 20.50 | 19.90 | 18.90 * | 18.10 |
| Hog-corn ratio | | 15.2 | 15.7 | 9.8 * | 12.2 | 15.7 | 15.7 | 10.3 * | 12.2 |

1/ Prices received represents the average of all grades or classes at point of first sale and should not be confused with market quotations.

2/ Estimated in January, April, July and October.

3/ State prices not published.

* Revised.

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FARM LABOR

HIRED WORKERS: NUMBER & HOURS WORKED, BY REGION, JULY 6-12, 2008 1/

| REGION 2/ | Hired workers | | | |
|-------------|----------------------|-------------------------|------------------|---------------------------|
| | Number of workers | Expected to be employed | | Number of hours worked |
| | | 150 days or more | 149 days or less | |
| | Thousands | | | |
| LAKE | 64 | 44 | 20 | 36.5 |
| CORNBELT I | 44 | 33 | 11 | 35.0 |
| CORNBELT II | 28 | 21 | 7 | 35.6 |
| U.S. | 828 | 585 | 243 | 40.5 |

HIRED WORKERS: WAGE RATES FOR TYPE OF WORKER & ALL HIRED WORKERS, BY REGION, JULY 6-12, 2008 1/

| REGION 2/ | Type of worker | | | Wage rates for all hired workers |
|-------------|------------------|-----------|-------------------------------|--|
| | Field | Livestock | Field & livestock combined | |
| | Dollars per hour | | | |
| LAKE | 10.10 | 10.09 | 10.10 | 10.75 |
| CORNBELT I | 10.27 | 10.87 | 10.43 | 10.90 |
| CORNBELT II | 10.29 | 9.23 | 9.90 | 10.25 |
| U.S. | 9.66 | 9.98 | 9.74 | 10.34 |

1/ Excludes agricultural service workers.

2/ Regions consist of the following: LAKE: MI, MN, WI; CORNBELT I: IL, IN, OH; CORNBELT II: IA, MO; UNITED STATES: Excludes Alaska.

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